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**NYU DOWNTOWN HOSPITAL PAYS \$2.1 MILLION
TO SETTLE FEDERAL CIVIL HEALTH CARE FRAUD CHARGES**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced today that NYU DOWNTOWN HOSPITAL ("NYU DOWNTOWN") has agreed to pay \$2.1 million to resolve civil charges that NYU DOWNTOWN defrauded the Government in connection with payments it received from the New York State Medicaid Program for claims for obstetrical services provided to patients at its hospital in New York City. As alleged in the complaint, NYU DOWNTOWN is a member of the Mt. Sinai/NYU Health System, and is affiliated with the New York University Medical School.

United States District Judge Richard C. Casey approved the settlement today in Manhattan federal court.

The Complaint filed by the United States alleges that NYU DOWNTOWN submitted claims for payment by Medicaid under the names of NYU DOWNTOWN doctors for services that were in fact performed by midwives and other doctors, including residents, who were not eligible for Medicaid reimbursement. NYU DOWNTOWN

voluntarily disclosed the wrongdoing alleged in the Complaint to the state and federal governments.

In particular, NYU DOWNTOWN'S scheme involved billing Medicaid under the names of doctors who did not actually provide services for baby deliveries performed by midwives; baby deliveries performed by resident doctors without the presence or participation of an NYU DOWNTOWN attending doctor; and baby deliveries performed by NYU DOWNTOWN doctors who were not Medicaid providers.

NYU DOWNTOWN agreed to pay the Government \$2.1 million to settle these charges. In agreeing to the settlement, NYU DOWNTOWN did not admit any wrongdoing or liability.

Mr. KELLEY stated: "This settlement demonstrates the federal Government's steadfast resolve to protect our health care dollars and to ensure that they are spent only for legitimate charges submitted by the real providers of the services. The integrity of our public programs is of the utmost importance. The Government encourages medical providers to voluntarily disclose any improper billing practices."

Mr. KELLEY praised the investigative efforts of the Federal Bureau of Investigation in the case.

Assistant United States Attorney SHEILA M. GOWAN is in charge of the case.

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